



THE ECONOMIC NATURE AND ACCOUNTING CHARACTERISTICS OF INTANGIBLE ASSETS

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Abstract. This thesis examines the economic nature and specific features of accounting for intangible assets, and provides suggestions and recommendations.

Keywords: intangible assets, copyright, goodwill, franchises, brands and trademarks.

Intangible assets are one of the important elements of the balance sheet and are considered important by business entities in carrying out their business activities.

Intangible assets are considered as important to business activities as fixed assets and other types of assets are necessary and important for business entities. In some activities, it is strictly forbidden to operate without intangible assets.

The figure below shows the composition of intangible assets (**Figure 1**).

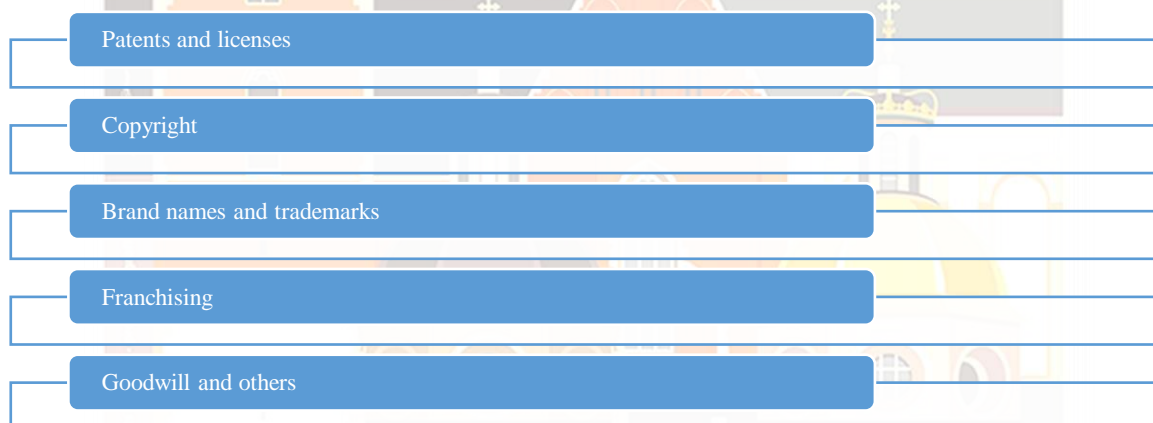


Figure 1. Composition of intangible assets¹

These intangible assets differ from each other in terms of purpose and place of use. For example, patents and licenses serve as a permit to carry out a certain activity, while copyrights indicate ownership of a certain object.

There are some intangible assets that arise as a result of the years of activity of the enterprise and are often identified and reflected in the reports when enterprises are merged or sold. For example, goodwill, brand names, trademarks are among them.

¹ Systematized by the author



A number of domestic and foreign scientists have conducted scientific research on the nature of intangible assets and their economic content and ways of organizing accounting, and this process continues to this day.

In particular, according to paragraph 7 of the national accounting reporting standards entitled "Intangible Assets", "intangible assets are property objects that do not have a tangible form, are controlled by an economic entity for the purpose of use in economic activities, and are also intended for long-term use (more than one year). Intangible assets are also considered assets when they meet the following requirements: meet the definition of an asset; are measurable; are significant; are reliable; generate future economic benefits; are separable, that is, can be used separately from the production in which they are used."²

International Accounting Standard No. 38, "Intangible Assets," states that "intangible assets are assets that do not have a monetary value or tangible form and that are used in the production or provision of services, are available for rental, and are used for management purposes."³

F.T. Abduvakhidov, I.N. Koziyev, Sh.Kh. Dadabayev expressed the following opinions about intangible assets: "Intangible assets are identifiable property objects that an enterprise maintains for the purpose of producing products (works, services) or selling products or for performing administrative or other functions for a long time, and that do not have tangible substance."⁴

G.Q.Turayeva B.E.Matrasulov S.I.Matkuliyeva A.A.Abduvohidov A.B.Mukhametov in their works stated the following about the organization of accounting for intangible assets: "Intangible assets, along with fixed assets, are objects of long-term investments and are considered part of depreciable property, and their accounting largely coincides with the accounting for fixed assets.

The main rules for accounting for intangible assets are determining the moment of recognition (recognition), assessing the book value and useful life, determining the methods for calculating depreciation, assessing and accounting for other changes in the

³ Issue 38, "Intangible Assets" NAS

⁴ F.T. Abduvakhidov, I.N. Koziyev, Sh.Kh. Dadabayev. "Accounting" textbook Tashkent 2019



book value and determining the financial results from their disposal, as well as the procedure for disclosing information on them in financial statements."⁵

Economist N. Toshmamatov defined intangible assets as follows: "Intangible assets are the rights of an enterprise, projects of capital investments that have value for the enterprise but cannot be seen or touched, such as trademarks, patents, and other similar rights."⁶

Based on the above definitions, we would like to give our own author's definition of intangible assets, namely, "Intangible assets are values that do not have a material nature and that will bring benefits to the business entity in the future."

In conclusion, it should be emphasized that intangible assets are values that are no less valuable than fixed assets in terms of benefits and play an important role in some entrepreneurial activities.

The table below lists the components of the assets of the "O'zbekiston Pochtasi" joint-stock company under the Ministry of Communications and Telecommunications, which is the object of our research.

1-table

Indicators	2019 year	%	2020 year	%	2021 year	%	2022 year	%	2023 year	%
Long-term assets:	25.223,0	20	37.731,0	20	77.799,0	24	95.255,0	37	101.496,0	33
Fixed assets	961,0	1	33.564,0	17	65.633,0	20	78.746,0	30	86.183,0	28
Intangible assets	20,6	0	13,0	0	6,0	0	4,0	0	4.864,0	2
Other types of long-term assets	24.215,4	19	4.154,0	2	12.160,0	4	16.505,0	6	10.449,0	3
Current assets:	103.962,0	80	155.430,0	80	250.256,0	76	165.654,0	63	202.206,0	67
Cash	21.423,0	17	60.990,0	32	92.901,0	28	24.184,0	9	29.854,0	10
Accounts receivable	80.545,0	62	76.407,0	40	107.956,0	33	98.329,0	38	142.742,0	47
Inventories	1.994,0	2	15.251,0	8	47.316,0	14	39.380,0	15	27.564,0	9

⁵ G.Q.Turayeva B.E.Matrasulov S.I.Matkuliyeva A.A.Abduvohidov A.B.Mukhametov. "Accounting" textbook. Tashkent 2023

⁶ N. Toshmamatov. "Accounting Theory" textbook. Tashkent 2019



Other types of current assets	4,0	0	2.782,0	1	2.084,0	1	3.761,0	1	2.047,0	1
Total assets	129.189,0	100	193.161,0	100	328.056,0	100	260.909,0	100	303.703,0	100

Asset structure of "Uzbekistan Post" JSC for 2019-2023 (in million soums)⁷

From the table above, we can conclude that although the value of intangible assets in this business entity is significantly low, the business activities of this business entity are directly dependent on intangible assets.

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